



April 28, 2011

Sacramento Public Library Authority

Agenda Item 5.0: FY 2011-12 Budget Preview

TO: Sacramento Public Library Authority Board Members

**FROM: Rivkah K. Sass, Library Director
Denise M. Davis, Deputy Library Director**

RE: FY 2011-12 Budget Preview

RECOMMENDED ACTION(S): Information Only

Library staff have started the challenging process of developing the library's budget for FY 2011-12 knowing that expected revenues for the coming year will be less than needed to operate at current levels.

The library has maintained levels of service and staffing over the past three years by using fund balances in the City of Sacramento and Special Tax funds to operate the City's three new branches. Maintenance of service levels at County facilities has also required the use of County fund balance. Initial budget models for FY 2011-12 indicate that fund balances in the City's general and special tax funds will be unavailable to supplement operations in the City branches.

Additionally, the Sacramento City Manager's office has asked the Library to identify savings based on a reduction of 10% (\$792,171) in the City's general fund contribution, which represents an overall reduction of 23.88% in the City's contribution for library service since 2008. During this same period, three new branch libraries have been opened in the City of Sacramento – Valley Hi-North Laguna (August 2009), North Natomas (January 2010) and Robbie Waters Pocket-Greenhaven (August 2010). There has been no corresponding increase in the City's contribution to fund operations at these facilities.

Budget reductions will be met through a combination of freezing vacant positions, eliminating or reducing budgets for security, on-call and temporary staff, and overtime. Staff is also considering making significant service reductions in City branches, including reducing or eliminating evening hours, eliminating the use of community meeting rooms to save on staff and custodial costs, rolling service blackouts that eliminate days of service each week in some locations, or closing one or more branches altogether, as all other options negatively impact other JPA partners.

In addition to these proposed reductions, staff is considering the following reductions of over \$880,000 to eliminate the use of fund balance for ongoing operations in all funds:

\$293,740 -- Freeze Seven Staff Vacancies

The library must reduce staff in non-public service areas to align staffing in all support areas in proportion to our ability to provide public service. The proposed



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budget includes freezing seven (7) positions in branches, Collection Services and the Finance Departments.

\$68,000 – Eliminate Funding for Homework Center Aides

The Colonial Heights and Martin Luther King Libraries provide afterschool homework assistance to students in grades 4 through 12. We are investigating no-cost alternatives.

\$195,000 – Reduce Security in City Branches

The library contracts for security in most branches to keep the public and staff safe. This will reduce the number of service hours by approximately one-third.

\$121,331 – Reduce budget for overtime, supplies, training, shift differential and on-call staff

This reduction will impact service hours and levels at the Central Library and branches, resulting in fewer evening hours and reduced staffing.

\$100,000 – Reduce Materials Budget

People and books are the Library's most important resource. This further reduces the Library's ability to provide informational and educational resources for the citizens of Sacramento. This reduction represents approximately 5,000 fewer books.

\$102,000 – Delay Computer Refresh

The Library replaces its computers on a four-year cycle, ensuring access for the more than 700,000 computer sessions that occur in city branches each year.

Summary

Staff is developing scenarios for service hours and staffing that meet the target goal for expense reductions, and that more completely illustrate the impact further reductions will have on the Library's ability to provide access to computers, job resources and other services to the communities it serves.

Strategic adjustments are also being considered for County-funded library services, as contractual obligations and increased costs are negatively impacting County fund balance as well.

Staff is especially concerned that the Library's funding agencies carefully consider budget actions that have the potential to jeopardize the special parcel tax collected in the City of Sacramento, as loss of these funds (approximately \$4.5 million annually) would cripple library service in the City of Sacramento and further adversely impact services in County-funded branches.

Additional detail will be presented with the FY 2011-12 Proposed Budget at the May 26 Authority Board meeting.